

Begin Nov. 4 - 1958

30.24- 5119

A131

ADVANCE FOR 7 P.M. EST (CQ) TUESDAY NOV. 4--NOTE DATE  
BY JOHN RODERICK (580)

(ADVANCE) PARIS, WEDNESDAY, NOV. 5 (AP)--THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC) WARNED TODAY THAT IF THE UNITED STATES WISHES TO AVOID ANOTHER RECESSION "THE AUTHORITIES WILL NEED TO BE ALERT TO THE DANGER OF POTENTIAL INFLATIONARY DEVELOPMENTS ARISING DURING THE UPSWING OF THE BUSINESS CYCLE."  
IN A REPORT ON ECONOMIC CONDITIONS IN THE UNITED STATES AND CANADA, THE OEEC OBSERVED THAT AMERICAN POLICY "WILL NEED TO BE CONCERNED WITH THE CHARACTER OF THE RECOVERY TO INSURE THAT IT IS SOUND BASED. SPECULATIVE MOVEMENTS, WHICH HAVE ALREADY BEEN EVIDENT ON THE STOCK MARKETS AND WHICH COULD QUICKLY MAKE THEMSELVES FELT IN THE FIELD OF INVENTORIES, COULD PRODUCE A RAPID BUT UNSUSTAINABLE EXPANSION."

IT NOTED THAT "RECENT EXPERIENCE, BOTH IN THE BOOM AND IN THE RECESSION, SUGGESTS THAT IT IS NECESSARY TO TAKE ACTION AT AN EARLY STAGE IF BUSINESS AND PERSONAL EXPENDITURES ARE TO BE INFLUENCED IN THE REQUIRED DIRECTION."

THE REPORT OBSERVED THAT THE DOWNTURN IN U.S. OUTPUT HAS LASTED FOR A RATHER SHORTER PERIOD THAN THE MINOR RECESSION OF 1953-54, BUT THAT "ITS SCOPE HAD BEEN MORE SEVERE." BY THE SUMMER OF THIS YEAR, IT ADDED, THE SIGNS OF RECOVERY WERE EVIDENT.

THOUGH BUSINESS ACTIVITY HAS IMPROVED CONSIDERABLY, "THERE IS STILL A CONSIDERABLE DEGREE OF UNDER-UTILIZATION OF CAPACITY," IT SAID.

THE MAJOR IMPONDERABLE, IT CONTINUED, IS THE PROSPECT FOR SUSTAINING THE EXPANSION OF OUTPUT AND EMPLOYMENT "AND THE TYPES OF DEMAND WHICH MIGHT CONTRIBUTE TO THIS."

IT SAID THE MAJOR ELEMENTS WHICH CONTRIBUTED TO A HALT IN THE DOWNSWING WERE GREATER CONSUMER EXPENDITURES AND THE INCREASE IN NATIONAL SECURITY SPENDING.

"IT SEEMS LIKELY," IT CONTINUED, "THAT OVER THE REST OF THE PRESENT YEAR, OUTPUT WILL CONTINUE TO RECEIVE SOME STIMULATION FROM THE FACT THAT SALES ARE BEING INCREASINGLY MET FROM NEW PRODUCTION RATHER THAN FROM STOCKS, EVEN THOUGH MANUFACTURERS' INVENTORIES ARE STILL HIGH IN RELATION TO SALES."

OTHER POINTS IN THE REPORT:  
CONSUMER DEMAND CANNOT BE RELIED ON TO INCREASE SIGNIFICANTLY WITHOUT A RISE IN REAL DISPOSABLE INCOME. THIS IN TURN, HINGES ON GROWTH OF EMPLOYMENT.

THE LEVEL OF CANADIAN ACTIVITY "IN MOST SECTORS OF THE ECONOMY IS AT PRESENT BELOW CAPACITY, BUT THERE ARE SUSTAINING ELEMENTS WHICH SHOULD PREVENT ANY FURTHER DECLINE AND PROVIDE A BASIS FOR RENEWED EXPANSION."

"AFTER EXCEPTIONALLY RAPID GROWTH DURING THE PREVIOUS TWO YEARS, TOTAL ECONOMIC ACTIVITY IN CANADA LEVELLED OFF IN MID-1957 AND SUBSEQUENTLY SHOWED A MODERATE DECLINE. THIS DECLINE WAS PARTICULARLY ASSOCIATED WITH A SHARP FALLING OFF IN THE HIGH RATE OF BUSINESS FIXED INVESTMENT EXPENDITURES--NOTABLY IN THE EXPLOITATION OF NATURAL RESOURCES--AND WITH SUBSTANTIAL INVENTORY LIQUIDATION. FALLING EXPENDITURES, HAVE, TO AN IMPORTANT EXTENT, BEEN ABSORBED BY A DROP IN IMPORTS, ESPECIALLY FROM THE UNITED STATES."

"AT THE SAME TIME, THE AUTHORITIES TOOK EARLY AND EFFECTIVE ACTION BY FISCAL MEASURES TO OFFSET THE FALL IN DEMAND, AND MONETARY CONDITIONS HAVE EASED CONSIDERABLY. THERE ARE INDICATIONS THAT THE OVER-ALL DECLINE HAS BEEN CHECKED AND IN SOME SECTORS--NOTABLY IN CONSTRUCTIONAL ACTIVITY--EXPANSIONARY FORCES ARE EVIDENT."

"PROVIDED THAT FOREIGN DEMAND FOR CANADIAN PRODUCTS--WHICH DEPENDS PRIMARILY ON THE UNITED STATES, BUT TO A SIGNIFICANT EXTENT ALSO ON EUROPE -- IS MAINTAINED, IT SEEMS PROBABLE THAT, WHILE CAPACITY STILL REMAINS UNDER-UTILIZED, THE RATE OF GROWTH WILL BE ABOVE THE LONG-TERM AVERAGE."

END ADVANCE FOR 7 P.M. EST TUESDAY NOV. 4--MOVED NOV. 2)  
DF823PED

A88

NIGHT LEAD NUCLEAR (120)  
GENEVA, NOV. 4 (AP)--RUSSIA WAS REPORTED TO HAVE ADVANCED A PROPOSAL TODAY FOR CONTROLLING A BAN ON NUCLEAR TESTS BUT A COMMUNIQUE GAVE NO HINT OF A BREAK IN THE DEADLOCK WITH THE WESTERN POWERS.

DELEGATES REPRESENTING THE UNITED STATES, BRITAIN AND SOVIET UNION MET FOR TWO HOURS--THEIR THIRD MEETING BEHIND CLOSED DOORS.

THE COMMUNIQUE SAID ONLY THAT SOVIET DELEGATE SEYMON TSARAPKIN SPOKE IN SUPPORT OF A RESOLUTION DESCRIBED AS "AN AGREEMENT ON CESSATION OF TESTS OF ATOMIC AND HYDROGEN WEAPONS." NO DETAILS WERE GIVEN.

THERE WERE REPORTS THE PLAN DEALT WITH SOME FORM OF CONTROL SYSTEM, BUT THE WESTERN POWERS REGARDED IT AS TOO VAGUE.

THE RUSSIANS WANT THE THREE ATOMIC POWERS TO BAN TESTS BEFORE DISCUSSING CONTROLS; THE WESTERN POWERS ARE INSISTING THAT SETTING UP A POLICING SYSTEM MUST COME FIRST.

DF701PED

B56 (Q)

--17--

NUCLEAR

BY STANLEY JOHNSON (200)

WARSAW, NOV. 4 (AP)--POLAND SUGGESTED TODAY THE UNITED STATES AND THE SOVIET UNION BE PERMITTED TO KEEP NUCLEAR-ARMED FORCES IN CENTRAL EUROPE TEMPORARILY PROVIDED ATOM ARMS WERE BANNED TO ALL OTHER COUNTRIES THERE.

FOREIGN MINISTER ADAM RAPACKI DISCLOSED AT A NEWS CONFERENCE THE MODIFICATION OF HIS PLAN FOR A BELT FREE OF NUCLEAR WEAPONS THROUGH CENTRAL EUROPE. HE HAD JUST RETURNED FROM OSLO WHERE HE TRIED TO SELL THE PROPOSALS TO THE NORWEGIAN GOVERNMENT.

RAPACKI SAID HE HAD REVISED HIS PLAN IN AN EFFORT TO MEET OBJECTIONS FROM THE WESTERN POWERS WHO CLAIMED THE ORIGINAL RAPACKI PLAN WOULD STRIP NATO OF ITS NUCLEAR SHIELD AND DRIVE U.S. FORCES OUT OF EUROPE. HE SAID HIS NEW PLAN WAS DRAWN UP WITH POLAND'S ALLIES, WHICH INCLUDE THE SOVIET UNION.

AFTER AGREEMENT WAS REACHED, RAPACKI SAID, THERE SHOULD BE EAST-WEST NEGOTIATIONS ON RENUNCIATION OF NUCLEAR WEAPONS FOR U.S. AND SOVIET FORCES IN CENTRAL EUROPE, COMBINED WITH THE REDUCTION OF CONVENTIONAL ARMS AND FORCES.

RAPACKI SAID POLAND WOULD PRESS ITS PROPOSALS THROUGH NORMAL DIPLOMATIC CHANNELS.

THE POLISH PLAN IS OBVIOUSLY AIMED AT PREVENTING EQUIPMENT OF THE NEW WEST GERMAN ARMY WITH ATOMIC WEAPONS. BUT IT WOULD HAVE THE EFFECT ALSO OF DENYING THEM TO FRANCE, BRITAIN AND OTHER NATO ALLIES WITH FORCES IN CENTRAL EUROPE.

UK457PES



A62 (120)

DAMASCUS, SYRIA, NOV. 4 (AP)-BAGHDAD RADIO ANNOUNCED TONIGHT THAT COL. ABDEL SALAM AREF, FORMER RIGHT-HAND MAN OF IRAQ'S REVOLUTIONARY PREMIER ABDEL KERIM KASSEM, WAS ARRESTED IN BAGHDAD TODAY. AREF RECENTLY WAS APPOINTED IRAQI AMBASSADOR TO WEST GERMANY. THE RADIO BROADCAST AN OFFICIAL COMMUNIQUE BY THE COMMANDER IN CHIEF OF THE IRAQI ARMED FORCES SAYING AREF CAME BACK TO BAGHDAD WITHOUT PERMISSION.

IT SAID THAT IN THE PUBLIC INTEREST AND "BECAUSE OF THE RETIRED COLONEL'S REPEATED ATTEMPTS TO DISTURB GENERAL SECURITY, HE WAS ARRESTED TODAY AND WILL BE TRIED ON A CHARGE OF PLOTTING AGAINST THE COUNTRY'S INTERESTS."

THE BRIEF COMMUNIQUE ENDED: "LET IT BE KNOWN TO EVERYBODY THAT THE PEOPLE'S INTERESTS AND THE COUNTRY'S SECURITY ARE ABOVE THE INTERESTS OF INDIVIDUALS."

AREF WAS NO. 2 MAN UNDER KASSEM IN THE REVOLT JULY 14 THAT DESTROYED THE REGIME OF KING FAISAL. AREF WAS NAMED DEPUTY COMMANDER OF IRAQI ARMED FORCES, DEPUTY PREMIER AND INTERIOR MINISTER.

HE AND KASSEM SPLIT ON HOW CLOSELY THE NEW IRAQI REGIME SHOULD ASSOCIATE ITSELF WITH PRESIDENT NASSER'S UNITED ARAB REPUBLIC. AREF, A MEMBER OF THE PAN-ARABIST BAAATH PARTY, WAS BELIEVED TO FAVOR IMMEDIATE UNION WHILE KASSEM WANTS TO KEEP IRAQ SEPARATE.

KASSEM RELIEVED AREF OF HIS MILITARY COMMAND SEPT. 12 AND OF HIS CABINET POSTS SEPT. 30, NAMING HIM AMBASSADOR TO WEST GERMANY. AREF WAS SAID TO BE RELUCTANT TO ACCEPT THE POST.

EARLY IN OCTOBER KASSEM SUPPRESSED A MILITARY CONSPIRACY AND AREF WAS REPORTED TO HAVE BEEN PUT UNDER HOUSE ARREST. AREF LATER WENT TO WEST GERMANY TO TAKE UP HIS POST AS AMBASSADOR AND THERE HAD BEEN NO WORD THAT HE HAD LEFT EUROPE.

1R543PES

A86

(400)

AP FOREIGN SERVICE ADVANCE FOR TUESDAY PMS  
BY WILTON WYNN

(ADVANCE) BEIRUT, NOV. 4 (AP)-THE FACT THAT LEBANON'S ECONOMY DID NOT COLLAPSE COMPLETELY DURING ITS FIVE MONTHS OF CIVIL STRIFE IS VIRTUALLY A FINANCIAL MIRACLE.

DURING THE PERIOD OF STRIKES AND TERRORISM, ECONOMIC ACTIVITY WAS PARALYZED IN THIS NORMALLY PROSPEROUS LITTLE REPUBLIC.

BUT THERE WAS NO COMPLETE COLLAPSE, ~~BAKRUPTCIES~~, NO MORATORIUM DECLARED. THE LEBANESE POUND REMAINED ONE OF THE FIRMEST CURRENCIES.

PREMIER RASHID KARAMI ANNOUNCED LAST WEEK HIS GOVERNMENT HAS ACCEPTED IN PRINCIPLE AN OFFER OF U.S. FINANCIAL AID TO OFFSET LOSSES INCURRED DURING THE TROUBLE. THE LEBANESE ARE URGENTLY SEEKING CAPITAL TO REPAIR THE DAMAGE CAUSED BY THE REBELLION.

EXACTLY HOW MUCH THE SUMMER'S TROUBLE COST IS HARD TO MEASURE IN DOLLARS AND CENTS. BEIRUT BANKERS CONSERVATIVELY ESTIMATE THE LOSS AT 300 MILLION LEBANESE POUNDS (100 MILLION DOLLARS).

WHEN THE DECLINE IN VALUE OF REAL ESTATE IS TAKEN INTO CONSIDERATION, SOME BEIRUT MERCHANTS SAY THE DAMAGE MAY BE AS HIGH AS TWO BILLION LEBANESE POUNDS (ABOUT 700 MILLION DOLLARS).

FOR A COUNTRY WITH A POPULATION OF A MILLION AND A QUARTER, SUCH A LOSS IS ENORMOUS.

THE MONETARY LOSS TELLS ONLY PART OF THE STORY.

POOR IN NATURAL RESOURCES, THIS COUNTRY HAS ACHIEVED PROSPERITY THROUGH BANKING, TRADE, AND TOURISM. ITS WESTERNIZED, FREE-ENTERPRISE ECONOMY HAS BUILT UP AN ATMOSPHERE OF SECURITY AND CONFIDENCE WHICH ATTRACTED CAPITAL FROM ALL OVER THE WORLD.

THIS INTERNATIONAL CONFIDENCE IN LEBANON WAS SHAKEN BY THIS SUMMER'S EVENTS, AND IT MAY TAKE YEARS TO RESTORE THAT CONFIDENCE.

THE CRISIS RESULTED IN AN UNPRECEDENTED FLIGHT OF CAPITAL. BANKERS ESTIMATE THAT 250 MILLION LEBANESE POUNDS WERE TAKEN OUT OF BEIRUT BANKS AND SENT TO SAFER PLACES IN EUROPE.

TOURIST TRADE SUFFERED A HEAVY BLOW. HOTELS ESTIMATE THAT ONLY FIVE PER CENT OF THE NORMAL NUMBER OF TOURISTS CAME IN THIS SUMMER.

TRANSIT TRADE WAS PRACTICALLY AT A STANDSTILL FOR FIVE MONTHS. LEBANON STILL IS TECHNICALLY AT WAR WITH ISRAEL, AND SO ITS ONLY LAND OUTLET TO THE EAST IS THROUGH SYRIA. WHEN SYRIA CLOSED ITS FRONTIER, LEBANON'S LUCRATIVE OVERLAND TRADE WITH IRAQ, JORDAN, AND THE PERSIAN GULF WAS STOPPED. THERE IS HOPE THAT THIS TRADE CAN NOW BE RESUMED.

LOCAL BUSINESSMEN FACE A SEVERE PROBLEM IN GETTING NECESSARY CAPITAL TO RESUME NORMAL OPERATIONS. MOST LOCAL INDUSTRIES AND BUSINESSES MAINTAINED THEIR PAYROLLS THROUGH THE CRISIS. AT THE END OF FIVE MONTHS, THEIR RESERVES OF CAPITAL HAVE BEEN EXHAUSTED. UNLESS THEY CAN GET EASY CREDIT, MANY WILL HAVE TO CLOSE DOWN.

LOCAL BANKS DON'T HAVE ENOUGH CAPITAL TO SUPPLY THIS CREDIT. NEITHER DOES THE GOVERNMENT.

END ADVANCE FOR TUESDAY PMS--MOVED NOV. 3

1R46AES

A89

(100)

MOSCOW, NOV. 4 (AP)-SOVIET PREMIER NIKITA KHRUSHCHEV TODAY PRAISED POLAND'S COMMUNIST PARTY CHIEF WLADYSLAW GOMULKA AS A FOE OF REVIVIONISTS.

(MOSCOW CALLS REVISIONISTS ALL REDS WHO REFUSE TO TOE THE PARTY LINE LAID DOWN BY THE KREMLIN--SUCH AS PRESIDENT TITO OF YUGOSLAVIA. GOMULKA HIMSELF ONCE WAS SUSPECTED OF REVISIONIST TENDENCIES.)

KHRUSHCHEV SPOKE AT A LENINGRAD RALLY. HE WAS ACCOMPANIED BY GOMULKA, WHO ALSO SPOKE.

HE SAID POLAND'S COMMUNIST PARTY AND THE CENTRAL COMMITTEE HEADED BY GOMULKA "GAVE A DECISIVE REBUFF TO REVIVISIONIST ELEMENTS."

"THE COMMUNIST WORKERS' PARTIES WILL IN FUTURE LEAD A RELENTLESS STRUGGLE FOR THE CLARITY OF MARXIST-LENINIST THEORY, AND STRENGTHEN ITS RANKS," KHRUSHCHEV TOLD THE RALLY.

DF/JR705PES

A101

(140)

KHRUSHCHEV PRECEDE LONDON

MOSCOW, NOV. 4 (AP)-PREMIER NIKITA KHRUSHCHEV SAID TODAY IF THE WEST CARRIES OUT ATOMIC TESTS "LET THEM NOT THINK THAT WE WILL MEANWHILE DOZE AND WAIT WHILE THE IMPERIALISTS BUILD UP THEIR FORCES AGAINST US."

HE PREDICTED THAT THE UNITED STATES AND BRITAIN WOULD RESUME NUCLEAR WEAPON TESTS WITHIN A YEAR. THAT WAS THE REASON, HE SAID, WHY THE WESTERN NATIONS ARE NEGOTIATING AT GENEVA FOR ONLY A YEAR'S SUSPENSION OF TESTS.

KHRUSHCHEV'S SPEECH BEFORE A WORKERS MEETING IN LENINGRAD WAS CARRIED BY PRAVDA. WITH HIM WAS VISITING POLISH PREMIER JOSEF CYRANKIEWICZ.

PRAVDA STRESSED THE UNITY OF RUSSIA AND POLAND IN BANNER HEADLINE OVER SPEECHES BY THE TWO COMMUNIST LEADERS. THE HEADLINE READ "FRIENDSHIP OF PEOPLES SOCIALIST (COMMUNIST) COUNTRIES IS INDESTRUCTIBLE."

KHRUSHCHEV TOLD THE LENINGRAD MEETING THE UNITED STATES AND BRITAIN NEEDED THE ONE-YEAR SUSPENSION "TO INTEGRATE THE RESULTS OF THE TESTS THEY HAVE JUST CONDUCTED."

AND IN A X X X FOURTH GRAF A80 LONDON DATE

SJ920AES



A55 (270)

NIGHT LEAD FORMOSA  
BY ROBERT TUCKMAN

TAIPEI, NOV. 4 (AP)-RED CHINA CHARGED TODAY THAT TROOPS ON QUEMOY WERE FIRING POISON GAS SHELLS. THE CHARGE BROUGHT SHARP DENIALS FROM BOTH THE NATIONALISTS AND AMERICANS.

A NATIONALIST GOVERNMENT SPOKESMAN SAID THE REDS APPEARED TO BE LAYING THE PROPAGANDA GROUNDWORK FOR USING POISON GAS THEMSELVES.

A PEIPING BROADCAST CHARGED THAT THE UNITED STATES SUPPLIED THE NATIONALISTS WITH POISON GAS SHELLS--A CHARGE THE AMERICAN COMMAND ON FORMOSA LABELED UNTRUE.

THE COMMUNISTS CLAIMED THAT 14 SOLDIERS ON THE MAINLAND WERE "AFFECTED" BY A NATIONALIST POISON GAS SHELLING AT 3 P.M. MONDAY WHEN NATIONALIST GUNNERS RETURNED A RED 39,162-SHELL BOMBARDMENT. (IN WASHINGTON THE STATE DEPARTMENT CALLED THE COMMUNIST CHARGES "NOXIOUS LIES" AND SUGGESTED THE REDS MAY BE ATTEMPTING "TO DIVERT WORLD ATTENTION FROM THE PROMISCUOUS KILLING OF CIVILIANS ON QUEMOY.")

NATIONALIST CHINA'S CHIEF MILITARY SPOKESMAN, REAR ADM. LIU HOH-TU, TOLD NEWSMEN:

"WE HAVE NO SUCH INHUMAN WEAPON ON HAND AND NEITHER HAVE THE AMERICANS GIVEN US SUCH A WEAPON. WE HAVE NO INTENTION TO USE SUCH WEAPONS IN ANY FUTURE STAGE IN THE STRUGGLE OF OUR OWN PEOPLE."

LIU WARNED THE REDS AGAINST USING POISON GAS, DECLARING: "WE'LL TAKE OTHER MEASURES. IF THE COMMUNISTS RESORT TO USING POISON GAS, THEY MUST BEAR ALL THE CONSEQUENCES."

HE WOULD NOT ELABORATE BUT GAVE THE IMPRESSION SUCH OTHER STEPS MIGHT MEAN NATIONALIST AERIAL BOMBING OF THE MAINLAND.

VICE ADM. ROLAND N. SHOOT, COMMANDER OF THE U.S. TAIWAN DEFENSE COMMAND, DECLARED "WE HAVE NOT FURNISHED THE CHINESE NATIONALISTS WITH POISON GAS SHELLS. THIS IS OBVIOUSLY TYPICAL FABRICATION."

AMID THE EXCHANGE OF WORDS, THE OFFSHORE ISLAND SHOOTING SUBSIDED.

NATIONALIST DEFENSE HEADQUARTERS SAID TOWARD MIDNIGHT TUESDAY NOT A SINGLE SHELL HAD BEEN FIRED BY THE REDS AGAINST THE QUEMOYS SINCE MIDNIGHT MONDAY.

TA440PES

A16WX

--95--

CHINESE

WASHINGTON, NOV. 4 (AP)-THE UNITED STATES TODAY BRANDED AS "NOXIOUS LIES" RED CHINA'S CHARGE THAT THE CHINESE NATIONALISTS FIRED POISON GAS SHELLS IN THE FIGHTING AROUND QUEMOY.

A STATE DEPARTMENT STATEMENT SAID THE REDS MAY HAVE MADE THE CHARGE "IN AN ATTEMPT TO DIVERT WORLD ATTENTION FROM THE PROMISCUOUS KILLING OF CIVILIANS ON QUEMOY."

STATE DEPARTMENT PRESS OFFICER LINCOLN WHITE GAVE OUT THE UNITED STATES DENUNCIATION OF THE CHINESE COMMUNISTS' ACCUSATION. EARLIER THE NATIONALISTS ON FORMOSA HAD DENIED THE USE OF POISON GAS.

THE NATIONALISTS SAID THE COMMUNISTS MIGHT BE MAKING THE CHARGE TO LAY THE BASIS FOR THEMSELVES USING GAS AGAINST QUEMOY. WHITE DECLINED TO DISCUSS THIS POSSIBILITY ON THE RECORD BUT PRIVATELY OFFICIALS SAID THE COMMUNISTS SOMETIMES ACCUSE OTHER PEOPLE OF THINGS WHICH IN SECRET THE REDS THEMSELVES ARE DOING OR PLANNING.

30.24- 5121

THE U. S. STATEMENT WAS ADDRESSED SPECIFICALLY TO THE RED IMPLICATION THAT THE UNITED STATES HAD SUPPLIED THE SHELLS WHICH THE NATIONALISTS ALLEGEDLY USED. THE REDS HAD ALSO SUGGESTED THAT THE MATTER HAD BEEN DISCUSSED AT THE MEETING BETWEEN PRESIDENT CHIANG KAI-SHEK AND SECRETARY OF STATE DULLES ON FORMOSA TWO WEEKS AGO.

WHITE SAID:

"...I WISH TO AS EMPHATICALLY AND CATEGORICALLY AS I CAN STATE THAT BOTH THESE SELF-SERVING COMMUNIST PROPAGANDA CHARGES ARE COMPLETELY FALSE."

HE THEN SPECULATED ON WHETHER THE COMMUNISTS WERE TRYING TO PROVIDE A PROPAGANDA COVER FOR THEIR EVERY-OTHER-DAY SHELLING OF QUEMOY, WHICH WHITE DENOUNCED AS "WANTON KILLING."

"NOW AS TO THE COMMUNIST ASSERTION THAT 14 OF THEIR SOLDIERS HAVE BEEN OVERCOME BY GAS," WHITE SAID, "I SHOULD LIKE MERELY TO SAY THAT IF ANY CHINESE COMMUNIST SOLDIERS ARE AFFECTED BY GAS IT IS AS A RESULT OF THE NOXIOUS LIES EMANATING FROM RADIO PEIPING."

WE136PES

A14WX

(380) SURPRISE ATTACK

BY JOHN M. HIGHTOWER

WASHINGTON, NOV. 4 (AP)-THE WESTERN ALLIES WILL ASK RUSSIA TO JOIN IN DEVELOPING A VAST MILITARY INSPECTION SYSTEM CAPABLE OF BLOCKING A SURPRISE NUCLEAR ATTACK BY ANY GREAT POWER FOR PERHAPS 10 YEARS.

ANY SYSTEM WORKED OUT NOW WOULD HAVE TO BE OVERHAULED AFTER A DECADE, IT WAS EXPLAINED, TO TAKE INTO ACCOUNT NEW WEAPONS LIKELY TO BE DEVELOPED DURING THAT PERIOD.

U.S. OFFICIALS HOPE THE SOVIETS WILL AT LEAST AGREE TO EXPLORE THE SCIENTIFIC POSSIBILITIES OF SUCH A SYSTEM. BUT IT WOULD MEAN AN END TO MUCH SECRECY IN THE SOVIET UNION, AND OFFICIALS ARE NOT OPTIMISTIC.

THE FIRST ROUND OF TALKS OPENING MONDAY IN GENEVA, SWITZERLAND, IS DESIGNED TO BE HIGHLY TECHNICAL--TO SEE WHETHER COMMUNISTS AND WESTERN EXPERTS CAN AGREE ON THE REQUIREMENTS OF A WORKABLE INSPECTION ARRANGEMENT.

IF THE MEETING MAKES PROGRESS, OFFICIALS INDICATED, THE UNITED STATES IS PREPARED TO PROVIDE THE RUSSIANS WITH SOME NOW SECRET INFORMATION ABOUT RADAR AND PROBABLY OTHER DEVICES WHICH COULD BE USED IN DETECTING MILITARY MOBILIZATION MOVES, MISSILE AND AIRCRAFT FLIGHTS AND THE LIKE.

THE TECHNICAL MEETING MAY BE FOLLOWED -- AGAIN DEPENDING ON ITS SUCCESS -- BY LATER POLITICAL NEGOTIATIONS. THE POWERS THEN WOULD BE CONFRONTED WITH SPECIFIC QUESTIONS OF THE LOCATION AND AREA OF INSPECTION ZONES TO BEGIN PUTTING THE PROPOSED SYSTEM INTO OPERATION.

THE SOVIETS HAVE SAID THAT THEY INTEND TO RAISE THE QUESTION OF ZONES AT THE CONFERENCE BEGINNING NEXT WEEK. AMERICAN AND ALLIED NEGOTIATORS WILL NOT AGREE TO DEAL WITH SUCH MATTERS AT THIS TIME, INFORMANTS HERE SAID. HENCE THE FIRST ROUND OF TALKS AT GENEVA MAY BE A WRANGLE OVER WHAT SHOULD BE TALKED ABOUT.

U.S. EXPERTS REPORT THAT NEW WEAPONS ARE BEING DEVELOPED SO RAPIDLY THAT ANY SYSTEM OF INSPECTION DEvised NOW WOULD PROBABLY BE OUTDATED AFTER EIGHT TO 11 YEARS. THAT IS THE TIME IN WHICH A NEW WEAPON



NORMALLY IS DEVELOPED AND MADE READY FOR USE. HENCE AFTER A DECADE, THE EXPERTS FIGURE, IT WOULD BE NECESSARY TO OVERHAUL THE SYSTEM AND BRING IT UP TO DATE.

THE U.S. DELEGATION TO THE EXPERTS CONFERENCE WILL BE HEADED BY WILLIAM C. FOSTER, A BUSINESS EXECUTIVE WHO WAS FORMERLY DEPUTY SECRETARY OF DEFENSE. WORKING WITH HIM WILL BE A PANEL OF SENIOR MILITARY OFFICERS AND SCIENTISTS.

THE U.S. PANEL WILL WORK WITH OTHERS FROM BRITAIN, FRANCE, CANADA AND ITALY. EXPERTS FOR THE COMMUNIST BLOC WILL BE DRAWN FROM RUSSIA, POLAND, CZECHOSLOVAKIA, ROMANIA AND PERHAPS ALBANIA.

C7/CR244AES

B36WX Q (PLANE VICTIMS, NIXN)

WASHINGTON, NOV. 4 (AP)-THE AIR FORCE HAS IDENTIFIED FOUR OF THE SIX BODIES RECOVERED BY THE RUSSIANS AFTER A MYSTERY CRASH OF A U. S. MILITARY TRANSPORT IN SOVIET ARMENIA ON SEPT. 2.

IN ANNOUNCING THE NAMES AND ADDRESSES OF THE IDENTIFIED MEN TODAY, THE AIR FORCE MADE NO REFERENCE TO THE UNEXPLAINED DISAPPEARANCE OF THE PLANE, A :-130 HERCULES, AND THE CONTINUING DIPLOMATIC EFFORT TO GAIN INFORMATION ABOUT ITS FATE.

THE PLANE CARRIED 17 MEN. THE RUSSIANS HAVE SAID THEY FOUND ONLY SIX BODIES. THE ARMED FORCES INSTITUTE OF PATHOLOGY AT WALTER REED HOSPITAL HERE AND THE AIR FORCE HAVE BEEN UNABLE TO IDENTIFY TWO OF THE BODIES. THE AIR FORCE SAID THE TWO UNKNOWN WILL BE BURIED IN ARLINGTON CEREMONY WITH FULL MILITARY HONORS.

THE IDENTIFIED CREW MEMBERS WERE 1ST. LT. JOHN E. SIMPSON, 101 ARMISTEAD ST., RICHLAND, WASH; CAPT. RUDY J. SWIESTRA, 18900 SOUTH ALABAMA BLVD., COMPTON, CALIF.; 1ST. LT. RICARDO M. VILLARREAL, 1520 MAIN AVE., LAREDO, TEX., AND CAPT. EDWARD J. JERUSS, 1345 CHAPEL ST., NEW HAVEN, CONN.

HY240PES

B17KX (SEG) (COLOMBO)

COLOMBO (270)

BY SPENCER DAVIS

SEATTLE, NOV. 4-(AP)-THE TINY SOUTHEAST ASIAN KINGDOM OF NEPAL, SANDWICHED BETWEEN INDIA AND COMMUNIST CHINA, HAS ACCEPTED A 50-BED HOSPITAL AS A GIFT FROM THE SOVIET UNION AND WILL ENTER INTO AN AID AGREEMENT WITH RUSSIA EARLY NEXT YEAR.

THIS WAS DISCLOSED TODAY AT THE COLOMBO PLAN CONFERENCE BY NARA PRATAP THAPA, SECRETARY OF THE MINISTRY OF FOREIGN AFFAIRS. "WE WANT TO LIVE AS GOOD NEIGHBORS," HE SAID, "BUT WE WILL NEVER SUBSCRIBE TO COMMUNISM."

THAPA DISCLOSED DETAILS OF THE STATE VISIT OF 39-YEAR-OLD KING MEHENDRA BIR BIRKRAM SHAHDEV TO THE SOVIET UNION LAST JUNE AT THE INVITATION OF SOVIET PREMIER NIKITA KHRUSHCHEV.

THAPA SAID KHRUSHCHEV OFFERED THE KING THE HOSPITAL AND EXPRESSED A DESIRE TO HELP IN THE DEVELOPMENT OF NEPAL.

"WE ACCEPTED THIS DESIRE, BUT WHAT FORM OF ASSISTANCE AND FIELDS IT IS TO EMBRACE IS STILL TO BE DETERMINED," HE SAID. "APPROPRIATE PLANS WILL BE DRAWN AT THE END OF THIS YEAR OR THE START OF NEXT YEAR."

NEPAL IS BEING ASSISTED BY THE UNITED STATES, BRITAIN AND INDIA IN THE CONSTRUCTION OF ROADS, RADIO COMMUNICATIONS AND A STEEL ROPEWAY TO THE KATMANDU VALLEY. THESE PROJECTS WILL HELP OPEN UP THE KINGDOM FOR THE FIRST TIME IN HUNDREDS OF YEARS.

CHINESE COMMUNISTS ALSO HAVE A TRADE AGREEMENT WITH NEPAL, SIGNED IN JUNE OF 1956.

DELEGATES ATTENDING THE COLOMBO CONFERENCE WORKED LATE INTO THE NIGHT TO DRAFT REPORTS ON THE ECONOMIC CONDITIONS OF NAPAL, PAKISTAN AND FIVE OTHER NATIONS IN THE 18-NATION ORGANIZATION.

A FULL SCHEDULE OF WORK WAS AHEAD FOR TODAY WITH NO TIME OUT TO WITNESS THE U.S. CONGRESSIONAL ELECTION. OFFICIALLY THE DELEGATES SAID THEY COULD NOT EXPRESS OPINIONS ON THE ELECTION, BUT PRIVATELY MOST OF THEM WERE EAGER TO SEE HOW THE UNITED STATES HANDLES ITS TWO-PARTY ELECTION SYSTEM.

BJ418ACS NM

B68CX Q

(200)

CHICAGO, NOV. 4 (AP)-THRONGS OF GREEK-AMERICANS TURNED OUT EARLY TODAY TO GREET QUEEN FREDERIKA OF GREECE AND HER DAUGHTER, PRINCESS SOPHIA, AS THEY ARRIVED IN CHICAGO FOR A TWO-DAY VISIT.

GROUPS ATTIRED IN COLORFUL DRESS REMINISCENT OF THE QUEEN'S HOMELAND FORMED A GUARD OF HONOR AS THE ROYAL PARTY ARRIVED AT UNION STATION.

THE QUEEN CAME FROM PITTSBURGH ON A TOUR OF THE UNITED STATES WHICH BEGAN OCT. 21. HER CHICAGO VISIT WILL BE LIMITED TO ONLY A FEW PUBLIC APPEARANCES AND THE ROYAL PARTY WILL DEPART FOR CINCINNATI THURSDAY.

ON HAND TO WELCOME THE QUEEN AND HER ENTOURAGE AT THE DEPOT WERE CITY OFFICIALS, REPRESENTATIVES OF CIVIC GROUPS AND A LARGE RECEPTION COMMITTEE CONSISTING OF REPRESENTATIVES OF THE CITY'S VARIOUS HELLENIC ORGANIZATIONS.

THE QUEEN SMILED, WAVED TO THE CROWD AND ACCEPTED A FLORAL TRIBUTE PRESENTED BY TWO YOUNG GIRLS DRESSED IN NATIVE GREEK COSTUMES.

THE PARTY WAS DRIVEN TO THE DRAKE HOTEL WHERE QUEEN FREDERIKA WAS TO CONDUCT A PRESENTATION LATER IN THE DAY. NO OTHER PUBLIC APPEARANCES WERE PLANNED TODAY.

WEDNESDAY THE ROYAL PARTY WILL BE GUESTS OF THE ATOMIC ENERGY COMMISSION ON A TOUR OF THE ARGONNE NATIONAL LABORATORY AT NEARBY LEMONT. WEDNESDAY NIGHT THE GROUP WILL BE HONORED AT A DINNER GIVEN BY LAWRENCE KIMPTON, CHANCELLOR OF THE UNIVERSITY OF CHICAGO, AND THE BOARD OF TRUSTEES AT THE QUADRANGLE CLUB ON THE UNIVERSITY CAMPUS.

AJ-AB1010ACS NM

A76MX

NIGHT LEAD (PRECEDE WASHINGTON)

ABILENE, TEX., NOV. 4 (AP)-A B47 JET BOMBER CARRYING A NUCLEAR WEAPON CRASHED IN FLAMES NEAR HERE TODAY BUT THERE WAS NO ATOMIC EXPLOSION.

ONE AIRMAN DIED IN THE CRASH AND THREE PARACHUTED TO SAFETY.

THE CRASH OCCURRED 150 YARDS FROM A HOUSE AND WITHIN HALF A MILE OF A RURAL SCHOOL.

THE PLANE WAS TAKING OFF FROM DYESS AIR FORCE BASE WHEN IT CAUGHT FIRE FROM THE EXPLOSION OF JATO (JET ASSISTED TAKEOFF) BOTTLES.

THE AIR FORCE SAID THERE WAS NO ATOMIC EXPLOSION NOR DANGER OF ONE, AND NO RADIOACTIVE CONTAMINATION OCCURRED.

"IN THE INTEREST OF SAFETY ALL PERSONNEL WERE REQUESTED TO STAY OUT OF THE AREA," A SPOKESMAN SAID.

"A POTENTIAL DANGER IN AN INCIDENT OF THIS TYPE WOULD BE POSSIBLE CONTAMINATION OF A SMALL AREA IF THE HIGH EXPLOSIVE CHARGE COMPLETELY DESTROYED THE WEAPON. IN THIS INSTANCE NO HARMFUL CONTAMINATION OR EXPLOSION RESULTED FROM THE CRASH."

THE REFERENCE TO "HIGH EXPLOSIVE CHARGE" APPEARED TO MEAN PART OF THE TRIGGERING MECHANISM USED IN DETONATING A NUCLEAR BOMB.

THE CREW CHIEF WHO DIED WAS IDENTIFIED AS STAFF SGT. ROBERT E. SCHNEIDER, 22, SON OF MR. AND MRS. EUGENE JOSEPH SCHNEIDER OF (14869 FRAZHO ROAD) ROSEVILLE, MICH.

THOSE WHO PARACHUTED SAFELY WERE MAJ. DON YOUNGMARK OF DIXON, ILL., PLANE COMMANDER; CAPT. JOHN GERDING OF FLINT, MICH., PILOT; AND CAPT. JOHN DOWLING OF BROOKLYN, N. Y., NAVIGATOR.

FJ526PCS



A86

NIGHT LEAD U.N.

UNITED NATIONS, N.Y., NOV. 4 (AP)-THE U.N. GENERAL ASSEMBLY TONIGHT CALLED ON THE NUCLEAR POWERS TO SUSPEND TESTS OF ATOMIC AND HYDROGEN WEAPONS WHILE THE GENEVA TALKS ARE IN PROGRESS.

THE ASSEMBLY APPROVED BY 49-9, WITH 22 ABSTENTIONS, A 17-POWER RESOLUTION URGING THE BAN WHILE THE UNITED STATES, BRITAIN AND THE SOVIET UNION NEGOTIATE ON TEST SUSPENSION IN GENEVA.

THE SOVIET UNION AND ITS SATELLITES CAST THE NEGATIVE VOTES. FRANCE AND MOST OF THE AFRICAN-ASIAN NATIONS WERE AMONG THE ABSTAINERS. FRANCE HAS SERVED NOTICE IT WILL NOT BE BOUND BY THE DECISIONS OF THE CONFERENCE NOW GOING ON IN GENEVA.

THE UNITED STATES AND BRITAIN DRAFTED THE 17-POWER RESOLUTION AND CAMPAIGNED FOR ITS APPROVAL BY THE NECESSARY TWO-THIRDS MAJORITY.

DF657PED

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*End Nov 4, 1958*